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22 December 1960

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## CENTRAL

## INTELLIGENCE

## BULLETIN



DECUMENT NO. 45

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25X1 Approved For Release 2003/02/27: CIA-RDP79T00975A005400450001-2 CENTRAL INTELLIGENCE BULLETIN 22 December 1960 25X1 DAILY BRIEF 25X1 I. THE COMMUNIST BLOC 25X1 USSR-Indonesia: A Soviet merchant ship and a tug, each towing a submarine chaser, appear to be en route to Indonesia with the first delivery of naval vessels unđer a 25X1 agreement apparently concluded last summer. The Soviet ships, out of Vladivostok, were sighted west of Okinawa on 19 December. Under the agreement, Moscow is to provide a light cruiser, destroyers, submarines, minesweepers, and submarine chasers, as well as other small ships and amphibious warfare equipment for the Indonesian Marine Corps. Previously the USSR has 25X1 furnished the Indonesian Navy worth of aid, including four destroyers, W-class submarines, and eight 25X1 submarine chasers. 25X1 II. ASIA-AFRICA Laos: In a 21 December greeting honoring North Viet-25X1 nam's Army Day, Chinese Defense Minister Lin Piao pledged OK "the utmost efforts to safeguard the Geneva agreements and put a stop to US imperialism's intervention and aggression in Laos." This implied threat is a further effort to deter support 25X1 for Phoumi. The USSR, co-chairman with Great Britain of the 1954 Geneva Conference, has thus far remained silent on proposals from Peiping and Hanoi for reactivation of the ICC in Laos and reconvening the conference. It seems likely, however, that Moscow will soon respond by formally approaching London with this proposal. Elements of Phoumi's force in Vientiane were reported moving northward on 21 December with the intention of engaging Kong Le's force. 25X1 (Page 2) i Approved For Release 2003/02/27 : CIA-RDP79T00975A005400450001-2 25X1

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	Brazil: President-elect Janio Quadros plans a more "independent" and neutralist foreign policy after his inauguration on 31 January. He reportedly is "determined to disengage Brazil from economic dependence on the	
25X1	United States," and intends to reorient economic policy toward Britain and Europe, which he feels now have adequate financial resources and whose banking officials have given him assurances of loans and aid. He is reported to	OK
	have authorized Vice President Goulart, who visited the USSR this month, to take the first steps toward closer co-	
	operation with the USSR. Quadros, vacationing in Italy, still hopes to arrange a meeting of neutralist leaders on	
	the Yugoslav island of Brioni and later to tour Latin America. Quadros reportedly believes such policies will buy off	
25X1	leftist criticism when he initiates orthodox fiscal policies at home. (Page 5)	
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	IV. WATCH COMMITTEE CONCLUSIONS	
	No Sino-Soviet bloc country intends to initiate hostilities against the United States or its possessions in the immediate future.	
	B. No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the bloc in the immediate future.	No
	C. The scale of Communist bloc airlift operations associated with the Laotian situation is consistent with what we believe to be a decision to provide sufficient support to the Kong Le/Pathet Lao forces to prevent establishment of effective control over the country by an anti-Communist Lao government. This course of action will involve: a) an intensification of Pathet Lao guerrilla activity, b) the	

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	continuation of support to the Kong Le/Pathet Lao forces in material and personnel, and c) an increase in the numerical strength of Pathet Lao forces. It appears unlikely that the Communist bloc has decided to intervene openly with its own identifiable military forces	
	at this time. A decision on its part to do so in the future, how-	
	on the bloc's estimate of its chances of success in achieving a military or political settlement acceptable to the Communists.	
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25X1	Approved For Release 2003/02/27 : CIA-RDP79T00975A005400450001-2	•
25X1	Brazilian President-Elect Plans "Independent"  Foreign Policy  Brazilian President-elect Janio Quadros plans a more	25X
25X1	"independent" and neutralist foreign policy after his inauguration on 31 January.  the latter is "determined to disengage Brazil from economic dependence on	25X
·	the United States" and intends to reorient economic policy toward Britain and Europe, where he feels there are now adequate financial resources. Quadros has reportedly been assured by British and German bankers that their countries will grant Brazil loans and economic aid.	
		25X
	Dantas has been mentioned as either a cabinet possibility or the first Brazilian amb assador to the USSR after diplomatic relations, broken in 1947, are resumed. Quadros, previously labeled a "Wall Street lackey" by the leftist press, promised during the election campaign to resetablish diplomatic relations with Moscow and to recognize Communist China. Through Dantas, Quadros reportedly authorized Vice President Goulart—who visited Moscow from 5 to 14 December—to take the "first steps" in establishing closer cooperation with the USSR. Goulart had previously planned to visit Communist China, but his unexpected return to Paris on 14 December was interpreted by the press as indicating he has abandoned the idea.	
	Quadros, who is vacationing in Europe after an eye operation, still hopes to arrange a meeting of neutralist leaders on the Yugoslav island of Brioni. After his return to Brazil he intends to make short visits to all Latin American countries, with the possible exception of Argentina and Paraguay.	25.
	possesse disciplion of filgonitina and faraguay.	25X

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## THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy Executive Secretary, National Security Council

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Treasury Department

The Secretary of the Treasury

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Commandant, United States Marine Corps

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

Atomic Energy Commission

The Chairman

Federal Bureau of Investigation

The Director

National Security Agency

The Director

National Indications Center

The Director

